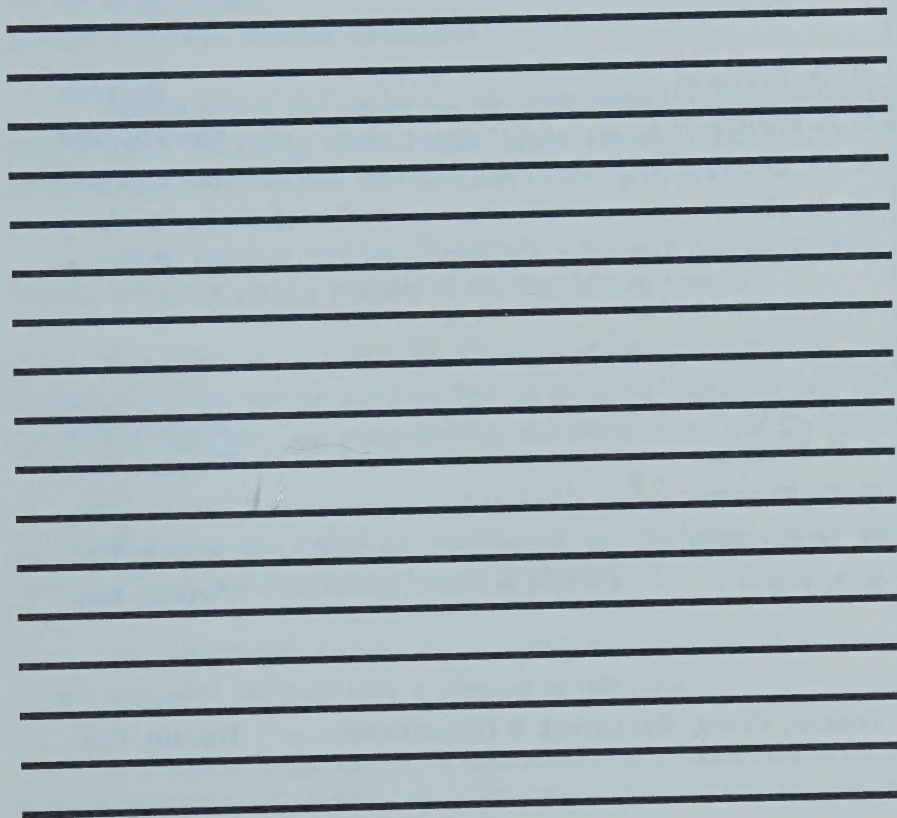


DELHI PACIFIC MINES LIMITED



ANNUAL REPORT

YEAR ENDED DECEMBER 31, 1970

DELHI PACIFIC MINES LIMITED

OFFICERS	G. D. PATTISON - - - - -	<i>President</i>
	S. A. PERRY - - - - -	<i>Vice-President</i>
	R. D. BELL - - - - -	<i>Secretary-Treasurer</i>
	D. A. HUMBY - - - - -	<i>Assistant Secretary</i>
	J. P. BRISBOIS - - - - -	<i>Assistant Treasurer</i>
DIRECTORS	R. D. BELL - - - - -	Toronto, Ont.
	J. P. BRISBOIS - - - - -	Toronto, Ont.
	F. C. KNIGHT - - - - -	Toronto, Ont.
	G. D. PATTISON - - - - -	R.R. #2, Aurora, Ont.
	S. A. PERRY - - - - -	Toronto, Ont.
AUDITORS	THORNE, GUNN, HELLIWELL & CHRISTENSON -	Toronto, Ont.
TRANSFER AGENT AND REGISTRAR	GUARANTY TRUST COMPANY OF CANADA - -	Toronto, Ont.
HEAD OFFICE	34 ADELAIDE STREET WEST - - - - -	Toronto, Ont.

DELHI PACIFIC MINES LIMITED

34 Adelaide Street West
Toronto 1, Ontario

Directors' Report

To the Shareholders,
DELHI PACIFIC MINES LIMITED.

Accompanying this report are the consolidated financial statements of your Company and its wholly owned subsidiary, Delhi Pacific Mines (Ireland) Limited, for the year ended December 31, 1970, with Auditors' Report thereon dated February 9, 1971.

During the past year the Company's subsidiary explored several areas held under prospecting licenses located in various counties of the Republic of Ireland.

Three licenses are held in the Counties of Offaly and Kildare. One of these licenses at Freagh, in County Kildare, was explored by 984' of diamond drilling in four holes, drilled in the vicinity of a former lead prospect. No mineralization was encountered and the program was terminated.

In County Donegal soil sampling and a stream sediment survey were conducted on a portion of the licensed area, and three occurrences of significant copper content were defined. Further investigation of this prospecting license is planned.

Also, in County Leitrim soil sampling on a portion of a licensed area returned a significant copper anomaly. Further work is planned in this area.

A stream sediment survey was conducted over a broad area in County Cork and three prospecting licenses were obtained covering anomalous areas which will be investigated by soil sampling.

During 1970 Patard Limited continued its research and development program in conjunction with The Royal School of Mines on two prospecting license areas in County Offaly. Your Company owns a 10% interest in Patard Limited.

On behalf of the Board,

G. D. PATTISON,
President.

Toronto, Ontario,
May 12, 1971.

DELHI PACIFIC MINES LIMITED

and its consolidated subsidiary

AUDITORS' REPORT

To the Shareholders of
DELHI PACIFIC MINES LIMITED

We have examined the consolidated balance sheet of Delhi Pacific Mines Limited and its consolidated subsidiary as at December 31, 1970 and the consolidated statements of deferred exploration expenditures, deficit, administrative expenses and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1970 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON,
Chartered Accountants.

Toronto, Canada,
February 9, 1971.

DELHI PACIFIC MINES LIMITED

(Incorporated under the laws of Ontario)

and its consolidated subsidiary

Consolidated Balance Sheet — December 31, 1970

(with comparative figures at December 31, 1969)

ASSETS

	1970	1969
CURRENT ASSETS		
Cash	\$ 2,149	\$ 3,846
Short-term deposits with accrued interest	20,035	20,034
Accounts receivable		327
	<u>22,184</u>	<u>24,207</u>
INVESTMENTS IN SHARES		
Subsidiary companies, at nominal value (note 2)	2	2
Affiliated mining companies (note 3)	64,595	64,595
Other companies, at cost or less	29	4
	<u>64,626</u>	<u>64,601</u>
Participation interest in oil properties, at cost less revenue to date	<u>26,577</u>	<u>26,354</u>
OTHER ASSETS		
Sundry equipment, at nominal value	1	1
Mining claims (note 4)	223,487	253,837
Deferred exploration expenditures (note 4)	311,101	307,916
	<u>534,589</u>	<u>561,754</u>
	<u>\$ 647,976</u>	<u>\$ 676,916</u>

LIABILITIES

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 12,740	\$ 2,429

SHAREHOLDERS' EQUITY

CAPITAL STOCK		
Authorized — 5,000,000 shares, par value \$1 each		
Issued — 3,300,000 shares	3,300,000	3,300,000
Less discount thereon	1,702,500	1,702,500
	<u>1,597,500</u>	<u>1,597,500</u>
Contributed surplus arising on reorganization	1,182,196	1,182,196
	<u>2,779,696</u>	<u>2,779,696</u>
Deficit	2,144,460	2,105,209
	<u>635,236</u>	<u>674,487</u>
	<u>\$ 647,976</u>	<u>\$ 676,916</u>

Approved by the Board:

“G. D. PATTISON”, Director.

“R. D. BELL”, Director.

DELHI PACIFIC MINES LIMITED

and its consolidated subsidiary

Consolidated Statement of Deferred Exploration Expenditures

Year Ended December 31, 1970
(with comparative figures for 1969)

	<u>1970</u>	<u>1969</u>
Consulting	\$ 2,410	
Diamond drilling	4,260	
Government fees, licenses and taxes	1,113	\$ 1,267
Survey	4,156	1,609
Travel	1,282	
General and field expenses	1,297	1,053
Expenditures for the year	<u>14,518</u>	<u>3,929</u>
Balance deferred at beginning of year	307,916	303,987
	<u>322,434</u>	<u>307,916</u>
Exploration expenditures written off to deficit	11,333	
Balance deferred at end of year	<u><u>\$ 311,101</u></u>	<u><u>\$ 307,916</u></u>

Consolidated Statement of Deficit

Year Ended December 31, 1970
(with comparative figures for 1969)

	<u>1970</u>	<u>1969</u>
Deficit at beginning of year	\$2,105,209	\$2,098,675
Amounts written off		
Administrative expenses	7,568	7,934
Mining claims	20,350	
Exploration expenditures	11,333	
Advances to subsidiary companies, recovered		(1,400)
Deficit at end of year	<u><u>\$2,144,460</u></u>	<u><u>\$2,105,209</u></u>

DELHI PACIFIC MINES LIMITED

and its consolidated subsidiary

Consolidated Statement of Administrative Expenses

Year Ended December 31, 1970

(with comparative figures for 1969)

	1970	1969
Administration fee	\$ 4,419	\$ 4,200
Annual report and shareholders' information	1,326	1,502
Directors' fees	950	600
Government fees and taxes	135	111
Legal and audit	855	580
Listing and filing fees	100	100
Office and general expenses	115	1,605
Stock transfer expense	936	788
Expenses for the year	8,836	9,486
Deduct interest earned	1,268	1,552
Administrative expenses written off	<u>\$ 7,568</u>	<u>\$ 7,934</u>

Consolidated Statement of Source and Application of Funds

Year Ended December 31, 1970

(with comparative figures for 1969)

	1970	1969
SOURCE OF FUNDS		
Revenue from oil properties (net)		\$ 604
Advances to subsidiary recovered		1,400
Proceeds from sale of mining claims	\$ 10,000	
	<u>10,000</u>	<u>2,004</u>
APPLICATION OF FUNDS		
Exploration expenditures	14,518	3,929
Administrative expenses	7,568	7,934
Investment in shares of another company	25	
Expenditures on oil properties (net)	223	
	<u>22,334</u>	<u>11,863</u>
Decrease in working capital	12,334	9,859
Working capital at beginning of year	21,778	31,637
Working capital at end of year	<u>\$ 9,444</u>	<u>\$ 21,778</u>

DELHI PACIFIC MINES LIMITED

and its consolidated subsidiary

Notes to Consolidated Financial Statements

Year Ended December 31, 1970

1. BASIS OF CONSOLIDATION

The accounts of Delhi Pacific Mines (Ireland) Limited, a wholly-owned subsidiary acquired in 1968, are consolidated in these financial statements. The accounts of this subsidiary are recorded in sterling and have been converted to Canadian dollars at the prevailing rates of exchange except in those cases where actual known dollar amounts are applicable to particular transactions.

2. INVESTMENT IN AND ADVANCES TO OTHER SUBSIDIARIES

The accounts of the other subsidiary companies, Nickel Corporation of America and Associated Mining Corporation, have not been consolidated as they are inactive. Both companies are without assets and the investments therein and advances thereto have consequently been written down to nominal value.

3. SHARES IN AFFILIATED MINING COMPANIES

	1970	1969
Delmico Mines Limited		
1,291,885 shares (of which 553,847 shares are held in escrow)		
at less than cost	\$ 64,594	\$ 64,594
Canadian Manganese Corporation Limited, at nominal value	1	1
	<u>\$ 64,595</u>	<u>\$ 64,595</u>

At December 31, 1970 and 1969, shares of Delmico Mines Limited were quoted at 3¢ per share.

4. MINING CLAIMS AND DEFERRED EXPLORATION EXPENDITURES

The company holds the following mining claims:

	Cost of claims	Deferred exploration thereon	Total 1970	1969
Ontario				
Blind River Area (see below)	\$ 21,500	\$ 47,562	\$ 69,062	\$ 78,524
Temagami Area	56,987	167,812	224,799	224,660
Quebec				
Fort McKenzie Area	145,000	64,179	209,179	209,009
Valrennes and Joutel Townships				35,580
Ireland		31,548	31,548	17,980
	<u>\$ 223,487</u>	<u>\$ 311,101</u>	<u>\$ 534,588</u>	<u>\$ 561,753</u>

These claims have been acquired for 472,969 shares of the company's capital stock valued at \$182,337 and \$41,150 cash (net).

The company entered into an agreement on August 6, 1970 to sell to Canuc Mines Limited 25 claims in the Sault Ste. Marie Mining Division (Blind River area), for the sum of \$20,000, (\$10,000 payable on or before August 15, 1970 and \$10,000 payable on or before August 15, 1972). Canuc shall not be obligated to pay the latter amount of \$10,000 if it relinquishes all rights in the mining claims back to the company prior to August 1, 1972. The agreement provides for a royalty of 1% of the selling price of all uranium oxide produced and in addition until commercial production has commenced or the mining claims have been relinquished, requires payments of \$10,000 to be made every second year commencing August 15, 1974. Such additional payments are to be considered as being on account of royalty payments.

The payment of \$10,000 received in August 1970 has been credited to the cost of the mining claims.

5. OTHER STATUTORY INFORMATION

Direct remuneration of directors and senior officers (as defined in The Business Corporations Act, 1970) amounted to \$950 (\$600 in 1969).

DELHI PACIFIC MINES LIMITED

NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and general meeting of the shareholders of DELHI PACIFIC MINES LIMITED (the "Corporation") will be held at the head office of the Corporation, 34 Adelaide Street West, Toronto, Ontario, on Tuesday, June 8, 1971, at the hour of 10:00 o'clock in the forenoon (Toronto time) for the following purposes:

A. To receive and consider the balance sheet of the Corporation and its consolidated subsidiary as at December 31, 1970, and the consolidated statements of deficit, deferred exploration expenditures, administrative expenses and source and application of funds for the year ended December 31, 1970, together with the report of the auditors thereon.

B. To elect directors.

C. To appoint auditors.

D. To consider and, if approved to confirm (subject to such amendments and/or additions and/or changes, if any, as may be approved at the meeting) By-law No. 9 of the by-laws of the Corporation amending Article XVII of By-law No. 8 of the by-laws of the Corporation as to the indemnification of the directors and officers of the Corporation.

A copy of By-law No. 9 is attached hereto and forms part hereof.

E. To consider and, if approved, to confirm with or without variation a resolution passed by the directors of the Corporation authorizing an amendment to the articles of the Corporation:

(a) varying the objects of the Corporation by deleting the objects contained therein and substituting other objects therefor;

(b) deleting the provision contained in the articles which makes the Corporation subject to Part XI of The Companies Act (Ontario);

(c) changing the 5,000,000 shares with a par value of \$1 each in the capital of the Corporation issued and unissued, into 5,000,000 issued and unissued shares without par value; and

(d) after giving effect to the foregoing, decreasing the issued capital of the Corporation by the amount of \$1,702,500.

A copy of such directors' resolution is attached hereto and forms part hereof.

F. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

DATED the 12th day of May, 1971.

By Order of the Board,

ROBERT D. BELL,
Secretary-Treasurer.

NOTE:

Shareholders who are unable to be present personally at the meeting are requested to sign and return, in the envelope provided for that purpose, the accompanying form of proxy for use at the meeting.

DELHI PACIFIC MINES LIMITED

**The following is a copy of By-Law No. 9
referred to in paragraph D of the foregoing notice.**

BY-LAW NO. 9

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of DELHI PACIFIC MINES LIMITED (the "Company") as follows:

1. Article XVII of By-law No. 8 of the by-laws of the Company is repealed as of December 31, 1970 without prejudice to any action theretofore taken thereunder.

2. The following paragraph is substituted for Article XVII of By-law No. 8 of the by-laws of the Company:

"Subject to subsection 2 of Section 147 of The Business Corporations Act, 1970 (Ontario), every director and officer of the Company and his heirs, executors, administrators and other legal personal representatives shall from time to time and at all times be indemnified and saved harmless by the Company from and against,

(a) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him in respect of the execution of the duties of his office; and

(b) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Company."

3. Paragraph 2 of this By-law No. 9 will come into force on January 1, 1971.

PASSED the 30th day of December, 1970.

WITNESS the corporate seal of the Company.

"G. D. PATTISON"
President

C/S

"R. D. BELL"
Secretary

DELHI PACIFIC MINES LIMITED

The following is a copy of the directors' resolution referred to in paragraph E of the foregoing notice.

WHEREAS the authorized capital of the Corporation is divided into Five Million (5,000,000) shares with a par value of One dollar (\$1) each;

AND WHEREAS it is considered necessary and expedient in the interest of the Corporation to amend its articles of incorporation as hereinafter provided;

NOW THEREFORE BE IT RESOLVED THAT:

A. The articles of incorporation of the Corporation be amended by:

1. deleting therefrom the clause: "AND IT IS HEREBY ORDAINED AND DECLARED that the said Company shall be subject to the provisions of Part XI of The Companies Act;"
2. varying the provisions of the letters patent incorporating the Corporation by deleting the objects of the Corporation as contained therein and substituting therefor the following:
 - (a) To carry on (either directly or through subsidiaries) in all its branches the business of mining, milling, exploration and development;
 - (b) To acquire, own, lease, prospect for, open, explore, develop, work, improve, maintain and manage mining claims, mineral rights, mining properties or any interest therein, mines and mineral lands and deposits, and to dig for, raise, crush, wash, smelt, assay, analyze, reduce, amalgamate, refine, pipe, convey and otherwise treat ores, metals and minerals, whether belonging to the Corporation or not, and to render the same merchantable and to sell or otherwise dispose of the same or any part thereof or interest therein;
 - (c) To take, acquire and hold as consideration for ores, metals or minerals sold or otherwise disposed of or for goods, supplies or for work done by contract or otherwise, shares, debentures or other securities of or in any other corporation having objects similar, in whole or in part, to those of the Corporation hereby incorporated and to sell and otherwise dispose of the same;
 - (d) To invest in real property of every kind and description and in shares, bonds, debentures and other securities and other evidences of indebtedness and to invest and lend money without security or on the security of personal property and to accept as security for any obligation, guarantee or amount owing by any person, corporation or association to the Corporation any security and to change, alter or realize upon any investments and to reinvest any moneys which may at any time be available for that purpose; and
 - (e) To carry on any other trade or business whatsoever which can, in the opinion of the board of directors, be advantageously carried on by the Corporation in connection with or ancillary to any of the above businesses or the general business of the Corporation.

And it is hereby declared that the objects specified in each of the paragraphs shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise

expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Corporation, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defines the objects of a separate and distinct corporation.

3. changing the Five Million (5,000,000) shares with a par value of One dollar (\$1) each in the capital of the Corporation, issued and unissued, into Five Million (5,000,000) issued and unissued shares without par value;
4. declaring that the authorized capital of the Corporation, after giving effect to the foregoing, will be divided into Five Million (5,000,000) shares without par value; provided that the Five Million (5,000,000) shares without par value shall not be issued for a consideration exceeding in amount or value the sum of Five Million dollars (\$5,000,000) or such greater amount as the board of directors of the Corporation may by resolution determine;
5. after giving effect to the foregoing, decreasing the issued capital of the Corporation from \$3,300,000 to \$1,597,500 by the elimination of the discount allowed upon the issuance of the shares of the Corporation in the amount of \$1,702,500; and
6. declaring that the issued capital of the Corporation, after giving effect to the foregoing, will be \$1,597,500.

B. The directors and/or the proper officers of the Corporation be and they are hereby authorized and directed on behalf of the Corporation to sign and execute and deliver all documents and to do all things necessary or desirable in connection with the foregoing.

DELHI PACIFIC MINES LIMITED

INFORMATION CIRCULAR

MANAGEMENT SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by Management of DELHI PACIFIC MINES LIMITED (the "Corporation") for use at the annual and general meeting of the shareholders of the Corporation to be held at the head office of the Corporation, 34 Adelaide Street West, Toronto, Ontario, on Tuesday, June 8, 1971 at 10:00 o'clock in the forenoon (Toronto time) for the purposes set out in the foregoing notice of meeting. The cost of solicitation will be borne by the Corporation.

The form of proxy forwarded to shareholders with the notice of meeting confers discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the notice of meeting or other matters which may properly come before the meeting. The form of proxy affords the shareholder an opportunity to specify that the shares registered in his name will be voted in favour of or against the following matters:

1. The confirmation of By-law No. 9 of the by-laws of the Corporation amending the provisions of the existing by-laws of the Corporation relating to the indemnification of the directors and officers of the Corporation.
2. The confirmation of the resolution of the directors authorizing an amendment to the articles of the Corporation (i) varying the objects of the Corporation by deleting the objects contained therein and substituting other objects therefor (ii) deleting the provision which makes the Corporation subject to Part XI of The Companies Act (Ontario) (iii) changing the 5,000,000 issued and unissued shares with a par value of \$1 each into 5,000,000 issued and unissued shares without par value and (iv) after giving effect to the foregoing, decreasing the issued capital of the Corporation by the amount of \$1,702,500. A copy of the directors' resolution authorizing the amendment to the articles is attached to and forms part of the foregoing notice of meeting.

The shares represented by proxies in favour of Management nominees will be voted at the meeting and, subject to the provisions of Section 121 of The Business Corporations Act, 1970 (Ontario), if a choice is specified in the above mentioned manner in the form of proxy with respect to the confirmation of the matters referred to above, the shares represented by such proxies will be voted in accordance with the specification so made.

In respect of proxies in which the shareholders have failed to specify that the proxy nominees are required to vote for or against one or more of the matters identified in the form of proxy, the shares represented by the proxies in favour of Management will be voted in favour of the confirmation of such matters.

Management knows of no matters to come before the meeting other than the matters referred in the foregoing notice of meeting. However, if any other matters which are not known to Management should

properly come before the meeting, the shares represented by the proxies in favour of Management nominees will be voted on such matters in accordance with the best judgement of the proxy nominee.

Proxies given by shareholders for use at the meeting may be revoked at any time prior to their use.

PROPOSED CONFIRMATION OF BY-LAW NO. 9

The annual and general meeting of shareholders has been called for the purpose, among others, of confirming (subject to such amendments and/or additions and/or changes, if any, as may be approved at the meeting) By-law No. 9 of the by-laws of the Corporation amending Article XVII of By-law No. 8 of the by-laws of the Corporation relating to the indemnification of directors and officers of the Corporation.

On January 1, 1971, a new statute entitled The Business Corporations Act, 1970 (the "New Act") replaced the former statute governing corporations incorporated in the Province of Ontario, The Corporations Act and predecessor statutes thereto (the "Old Act"), as it related to the Corporation. Article XVII of By-law No. 8 of the by-laws of the Corporation, which was similar to the corresponding provisions contained in the by-laws of other corporations in widespread use prior to the coming into force of the New Act, permitted indemnification of directors and officers to a greater degree than that which is authorized under the New Act and would be invalid when the New Act came into force. In addition, there was a real possibility that if the indemnification provision had not been appropriately amended prior to the coming into force of the New Act, the entire general by-law would have been thereby rendered invalid. Accordingly, prior to the coming into force of the New Act, your directors enacted By-law No. 9 of the by-laws of the Corporation thereby removing the offending provision of By-law No. 8 and substituting a provision respecting the indemnification of directors and officers which conforms to the New Act. A copy of By-law No. 9 is attached to and forms part of the foregoing notice of meeting. Your directors recommend that the shareholders of the Corporation vote in favour of the confirmation of such by-law.

PROPOSED AMENDMENT TO THE ARTICLES

Under the Old Act, many mining companies which were stated in their letters patent of incorporation to be subject to Part XI of the Old Act were permitted to issue their par value shares at a discount. Your directors consider that it is in accordance with modern corporate practice and in the best interests of the Corporation to change the shares of the Corporation to shares without par value. Accordingly, it is no longer necessary or appropriate that the Corporation remain subject to Part XI. It is therefore proposed to amend the articles of the Corporation by deleting the reference to Part XI of the Old Act and effecting other amendments related to this change, thereby bringing the articles of the Corporation into line with present day practice. Your directors recommend that you vote in favour of the authorization of the amendment to the articles of the Corporation.

REQUIRED ACTION BY SHAREHOLDERS

The requisite vote of shareholders required with respect to the foregoing matters at the annual and general meeting of shareholders is as follows:

- (i) By-law No. 9 must be confirmed by a majority of the votes cast; and
- (ii) the directors' resolution authorizing the amendment to the articles of the Corporation must be confirmed, with or without variation, by at least two-thirds of the votes cast.

ELECTION OF DIRECTORS

Each of the persons whose names appear hereunder is proposed to be elected as a director of the Corporation to serve until the next annual meeting of shareholders or until his successor is elected or appointed. It is intended that the shares represented by proxies in favour of Management nominees will be voted in

favour of the election of such persons as directors of the Corporation. In the event that any vacancies occur in the slate of such nominees, it is intended that discretionary authority shall be exercised to vote such proxies for the election of any other person or persons nominated by management as directors.

<u>Name and office held</u>	<u>Present principal occupation</u>	<u>Year first elected as a director</u>	<u>Shares of the Company beneficially owned directly or indirectly as at May 12, 1971</u>
R. D. Bell, Secretary-Treasurer and Director	Vice-President — Finance, International Mogul Mines Limited	1959	—
J. P. Brisbois, Assistant Treasurer and Director	Treasurer and Controller, International Mogul Mines Limited	1968	—
F. C. Knight, Director	Mining Engineer employed by International Mogul Mines Limited	1966	—
G. D. Pattison, President and Director	Vice-President and Secretary, International Mogul Mines Limited	1953	—
S. A. Perry, Vice-President and Director	Chairman of the Board, International Mogul Mines Limited	1950	—

APPOINTMENT OF AUDITORS

Management proposes to nominate Messrs. Thorne, Gunn, Helliwell & Christenson, the present auditors, as auditors of the Corporation, to hold office until the next annual meeting of shareholders. It is intended that the shares represented by proxies in favour of Management nominees will be voted in favour of the appointment of Messrs. Thorne, Gunn, Helliwell & Christenson as auditors of the Corporation.

REMUNERATION OF MANAGEMENT AND OTHERS

During the financial year ended December 31, 1970, the aggregate direct remuneration paid or payable by the Corporation and the subsidiary of the Corporation whose financial statements are consolidated with those of the Corporation to the directors and senior officers of the Corporation was \$950.00.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of 5,000,000 shares with a par value of \$1 each, of which 3,300,000 are issued and outstanding as fully paid and non-assessable. Holders of outstanding shares of record at the time of the annual and general meeting of shareholders will be entitled to one vote per share at such meeting.

To the knowledge of the directors and senior officers of the Corporation, Dobienco Limited beneficially owns equity shares of the Corporation carrying more than 10% of the voting rights attached to all equity shares, namely 1,073,125 shares, being 32.5% of the outstanding equity shares of the Corporation.

May 12, 1971.

